

5.1.3 OSC Notice of Amendments Relating to Designated Rating Organization – Amendments to OSC Rule 33-506 (Commodity Futures Act) Registration Information

**OSC Notice of Amendments  
Relating to Designated Rating Organizations**

**Amendments to  
OSC Rule 33-506 (Commodity Futures Act) *Registration Information***

March 29, 2018

**Introduction**

The Ontario Securities Commission (the **OSC** or **we**) are making amendments (the **Amendments**) to OSC Rule 33-506 (Commodity Futures Act) *Registration Information* (**OSC Rule 33-506**).

The Amendments:

- relate to designated rating organizations (**DROs**) and credit ratings of DROs,
- are being made in conjunction with amendments (the **33-109 Amendments**) to National Instrument 33-109 *Registration Information* (**NI 33-109**), and
- are consequential to, and consistent with, publication today by the Canadian Securities Administrators of a *Notice of Amendments Relating to Designated Rating Organizations*.

**Substance and Purpose**

The Amendments are consequential in nature to the 33-109 Amendments and would maintain consistency between the form requirements under OSC Rule 33-506 and the form requirements under NI 33-109.

**Comments**

On July 6, 2017, we published a Notice and Request for Comment relating to the Amendments (the **July 2017 Materials**). The comment period ended on October 4, 2017. We did not receive any written submissions on the Amendments.

**Summary of Changes**

We revised the July 2017 Materials to include references to successor credit rating organizations if designated under securities legislation. These revisions will allow for future reorganizations of DROs without having to effect further rule amendments. The revisions are reflected in the Amendments we are publishing concurrently with this notice. As these changes are not material, we are not republishing the Amendments for a further comment period.

**Approval of the Amendments**

The Ontario Securities Commission made the Amendments to pursuant to section 65 of the *Commodity Futures Act* (Ontario).

The Amendments and other required materials were delivered to the Minister of Finance on March 27, 2018. The Minister may approve or reject the Amendments or return them for further consideration. If the Minister approves the Amendments or does not take any further action by May 28, 2018, the Amendments will come into force on June 12, 2018.

**Contents of Annex**

Annex A sets out the Amendments.

**Questions**

Please refer your questions to:

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## Annex A

**Amendments to  
Ontario Securities Commission Rule 33-506 (Commodity Futures Act) Registration Information**

1. **Ontario Securities Commission Rule 33-506 (Commodity Futures Act) Registration Information is amended by this Instrument.**

2. **Section 1.1 is amended by adding the following definitions:**

“designated rating organization” has the same meaning as in National Instrument 44-101 *Short Form Prospectus Distributions*;

“DRO affiliate” has the same meaning as in National Instrument 25-101 *Designated Rating Organizations*;

“successor credit rating organization” has the same meaning as in National Instrument 44-101 *Short Form Prospectus Distributions*;

3. **Schedule 1 of Schedule C of Form 33-506F6 Firm Registration is amended by replacing subparagraph (a)(i) with the following:**

(i) Bonds, debentures, treasury bills and other securities of or guaranteed by the Government of Canada, of the United Kingdom, of the United States of America and of any other national foreign government (provided those foreign government securities have a current credit rating described in subparagraph (i.1)) maturing (or called for redemption):

within 1 year: 1% of fair value multiplied by the fraction determined by dividing the number of days to maturing by 365

over 1 year to 3 years: 1% of fair value

over 3 years to 7 years: 2% of fair value

over 7 years to 11 years: 4% of fair value

over 11 years: 4% of fair value

(i.1) A credit rating from a designated rating organization listed below, from a DRO affiliate of an organization listed below, from a designated rating organization that is a successor credit rating organization of an organization listed below or from a DRO affiliate of such successor credit rating organization, that is the same as one of the following corresponding rating categories or that is the same as a category that replaces one of the following corresponding rating categories:

Designated Rating Organization	Long Term Debt	Short Term Debt
DBRS Limited	AAA	R-1(high)
Fitch Ratings, Inc.	AAA	F1+
Moody's Canada Inc.	Aaa	Prime-1
S&P Global Ratings Canada	AAA	A-1+

4. This Instrument comes into force on June 12, 2018.